

June 8 2009

Mr. Vince Snowbarger, Deputy Director PBGC
Pension Benefit Guaranty
1200 K Street, NW
Washington, DC 2005-4026

914-390-4073

Dear Mr. Snowbarger,

I am contacting you today because I have been advised that a decision on the disposition of the Delphi Salaried Pension Plan is imminent and that now is the time to take action if a turnover to the PBGC is to be avoided. Delphi salaried retirees are requesting assistance at this time in order to avoid this additional blow to a group that has already suffered from the loss of health and life insurance benefits. I, along with the Delphi Retirees, would propose, as a reasonable solution, for all involved that GM rolls the Delphi Pension Fund and Salaried Retirees into the GM Salaried Retirees Pension Fund and Program.

Here is a summary of facts concerning the current situation:

- The Delphi Salaried Pension Plan is under funded by approximately \$2 billion which Delphi is unable to satisfy.
- Virtually all of the plan's participants worked over 2/3 (25+years) of their career as GM salaried employees with some spending as little as a few months as Delphi employees prior to retirement.
- The GM salaried pension plan is funded at a more reasonable level than the Delphi plan. Folding the Delphi salaried pension plan into GM's plan is a reasonable move from both a financial and ethical standpoint.

I believe that what is proposed is in the best interest of all stakeholders in the GM/Delphi restructuring process for the following reasons:

- Delphi salaried retirees have already suffered disproportionate losses with respect to their auto industry peers and should have their pensions preserved.
- Delphi cannot emerge from Chapter 11 without resolving the salaried pension issue therefore they must either turn pensions over to PBGC or return them to GM from where the original liability came.
- PBGC currently holds liens on many assets that Delphi needs to sell to emerge from Chapter 11. This action would clear those liens enabling Delphi to proceed with its reorganization.
- GM is in the final steps of purchasing several of the Delphi assets with PBGC liens the recommended action will allow these GM acquisitions to proceed unimpeded.
- PBGC will avoid the assumption of another large under funded pension plan.

In closing, I ask you to use your considerable influence to cause the transfer of the Delphi Salaried pension plan to GM where it originated. GM has played a significant role in Delphi's salaried retirees' current financial predicament starting with the original GM/Delphi Separation Agreement which imposed GM's handpicked management team on Delphi and providing Delphi with non competitive supply contracts which transferred significant amount of revenue to GM. The net result of GM's actions was to stack the deck against Delphi which has resulted in the current condition where Delphi's salaried employees/retirees are the only class of employees having their pensions impacted.

Sincerely,
Neal Rath